

THIRTY-SIXTH JUDICIAL DISTRICT ATTORNEY
PARISH OF BEAUREGARD
STATE OF LOUISIANA

ANNUAL FINANCIAL STATEMENTS
WITH AUDITOR'S REPORT

DECEMBER 31, 2004

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-13-05

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INDEPENDENT AUDITOR'S REPORT

The Honorable David Burton
Thirty-Sixth Judicial District Attorney
Parish of Beauregard
State of Louisiana

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Thirty-Sixth Judicial District Attorney, as of and for the year ended December 31, 2004, which collectively comprise the District Attorney's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Thirty-Sixth Judicial District Attorney's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Thirty-Sixth Judicial District Attorney, as of December 31, 2004, and the respective changes in financial position, where applicable, thereof and the respective budgetary comparison for the general fund and the major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated June 23, 2005 on my consideration of the Thirty-Sixth Judicial District Attorney's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

The Thirty-Sixth Judicial District Attorney, has not presented management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

The Honorable David Burton
Thirty-Sixth Judicial District Attorney
Parish of Beauregard
State of Louisiana
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My audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Thirty-Sixth Judicial District Attorney's basic financial statements. The schedule of general fund and special revenue funds budget comparisons, schedule of fiduciary net assets and changes in fiduciary net assets, and prior year audit findings is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of general fund and special revenue funds budget comparisons, schedule of fiduciary net assets and changes in fiduciary net assets and schedule of prior year audit findings has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink that reads "John H. Windham, CPA". The signature is written in a cursive, flowing style.

DeRidder, Louisiana
June 23, 2005

BASIC FINANCIAL STATEMENTS

Statement of Net Assets
December 31, 2004

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 467,843
Intergovernmental:	
Due from other governments	46,699
Due from other funds	57
Capital assets, net	229,688
Total assets	<u>\$ 744,287</u>
LIABILITIES	
Accounts payable	\$ 15,428
Payroll taxes payable	5,284
Due to other governments	614
Due to others	1,075
Total liabilities	<u>\$ 22,401</u>
NET ASSETS	
Invested in capital asset	\$ 229,688
Unrestricted	492,198
Total net assets	<u>\$ 721,886</u>
Total liabilities and net assets	<u>\$ 744,287</u>

The accompanying notes are an integral part of this statement.

Statement of Activities
For the Year Ended December 31, 2004

Program Activities	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Assets Governmental Activities
		Fees, Fines and Charges for Services	Operating Grants and Contributions	
General government				
Judiciary	<u>\$ 517,056</u>	<u>\$ 446,514</u>	<u>\$ 115,817</u>	<u>\$ 45,275</u>
General revenues:				
Investment earnings				4,376
Miscellaneous				5,103
Transfers				(18)
		Total general revenues and transfers		<u>9,461</u>
		Change in net assets		<u>54,736</u>
Net assets at beginning of year				<u>667,150</u>
Net assets at end of year				<u>\$ 721,886</u>

The accompanying notes are an integral part of the statement.

Balance Sheet
Governmental Funds
December 31, 2004

	General	Major Funds		Total Governmental Funds
		Title IV-D Fund	Worthless Check Fund	
ASSETS				
Cash and cash equivalents	\$ 388,291	\$ 30,806	\$ 48,746	\$ 467,843
Intergovernmental				
Due from other governments	25,246	21,453	-	46,699
Due from other funds	57	-	-	57
Total assets	<u>\$ 413,594</u>	<u>\$ 52,259</u>	<u>\$ 48,746</u>	<u>\$ 514,599</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 10,971	\$ 2,729	\$ 1,728	\$ 15,428
Payroll taxes payable	4,073	1,211	-	5,284
Due to other governments	614	-	-	614
Due to others	1,075	-	-	1,075
Total liabilities	<u>\$ 16,733</u>	<u>\$ 3,940</u>	<u>\$ 1,728</u>	<u>\$ 22,401</u>
Fund Balances:				
Unreserved, reported in:				
General Fund	\$ 396,861	\$ -	\$ -	\$ 396,861
Special revenue funds	-	48,319	47,018	95,337
Total fund balances	<u>\$ 396,861</u>	<u>\$ 48,319</u>	<u>\$ 47,018</u>	<u>\$ 492,198</u>
Total liabilities and fund balances	<u>\$ 413,594</u>	<u>\$ 52,259</u>	<u>\$ 48,746</u>	<u>\$ 514,599</u>

The accompanying notes are an integral part of this statement.

Reconciliation of the Governmental Funds Balance Sheet
to Statement of Net Assets
December 31, 2004

Total fund balance - total governmental funds	\$ 492,198
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheets.	<u>229,688</u>
Net assets of governmental activities	<u>\$ 721,886</u>

The accompanying notes are an integral part of this statement.

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2004

	Major Funds			Total Governmental Funds
	General	Title IV-D Fund	Worthless Check Fund	
Revenues				
Intergovernmental:				
State grants	\$ 50,000	\$ -	\$ -	\$ 50,000
Local grants	65,817	-	-	65,817
State reimbursement of operating cost	-	85,991	-	85,991
Fees, charges and commissions for services	297,458	-	63,065	360,523
Investment income	3,657	147	572	4,376
Other revenues	5,103	-	-	5,103
Total revenues	<u>\$ 422,035</u>	<u>\$ 86,138</u>	<u>\$ 63,637</u>	<u>\$ 571,810</u>
Expenditures				
Judiciary				
Personal services	\$ 236,898	\$ 58,850	\$ -	\$ 295,748
Related benefits	23,535	12,796	-	36,331
Travel and professional development	14,467	2,067	3,817	20,351
Operating services	13,790	6,534	29,733	50,057
Supplies	940	202	19,984	21,126
Contracted services	67,799	-	-	67,799
Total expenditures	<u>\$ 357,429</u>	<u>\$ 80,449</u>	<u>\$ 53,534</u>	<u>\$ 491,412</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 64,606</u>	<u>\$ 5,689</u>	<u>\$ 10,103</u>	<u>\$ 80,398</u>
Other financing sources (uses)				
Transfers in	\$ 1,859	\$ -	\$ -	\$ 1,859
Transfers out	(18)	(1,859)	-	(1,877)
Total other financing sources (uses)	<u>\$ 1,841</u>	<u>\$ (1,859)</u>	<u>\$ -</u>	<u>\$ (18)</u>
Net change in fund balance	<u>\$ 66,447</u>	<u>\$ 3,830</u>	<u>\$ 10,103</u>	<u>\$ 80,380</u>
Fund balances at beginning of year	<u>330,414</u>	<u>44,489</u>	<u>36,915</u>	<u>411,818</u>
Fund balances at end of year	<u><u>\$ 396,861</u></u>	<u><u>\$ 48,319</u></u>	<u><u>\$ 47,018</u></u>	<u><u>\$ 492,198</u></u>

The accompanying notes are an integral part of this statement.

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balance of Governmental Funds to the
Statement of Activities
For the Year Ended December 31, 2004

Net change in fund balances - total governmental funds \$ 80,380

Amounts reported for governmental activities in the
statement of activities are different because:

Depreciation expense on capital assets is reported in the government-
wide statement of activities and changes in net assets, but they
do not require the use of current financial resources. Therefore,
depreciation expense is not reported as an expenditure in governmental funds.

(25,644)

Change in net assets of governmental activities

\$ 54,736

The accompanying notes are an integral part of this statement.

Statement of Fiduciary Net Assets
Agency Funds
December 31, 2004

	<u>Agency Funds</u>
Assets	
Cash and cash equivalents	<u>\$ 57</u>
Liabilities	
Due to other funds	<u>\$ 57</u>

The accompanying notes are an integral part of this statement.

Thirty-Sixth Judicial District Attorney

Statement H

Statement of Changes in Fiduciary Net Assets
Agency Funds
For the Year Ended December 31, 2004

	<u>Agency Funds</u>
Additions	
Deposits	\$ 187,682
Transfers in	<u>18</u>
Total Additions	<u>\$ 187,700</u>
Deductions	
Fines and forfeitures distributed	\$ 149,110
Suits, seizures and garnishments distributed	38,575
Bank charges	<u>15</u>
Total Deductions	<u>\$ 187,700</u>

The accompanying notes are an integral part of this statement.

Thirty-Sixth Judicial District Attorney
Notes to the Financial Statements
As of and for the Year Ended December 31, 2004

INTRODUCTION

As provided by Article V, Section 26 of the Louisiana Constitution of 1974, the District Attorney has charge of every criminal prosecution by the state in his district, is the representative of the state before the grand jury in his district, and is the legal advisor to the grand jury. He performs other duties as provided by law. The district attorney is elected by the qualified electors of the judicial district for a term of six years. His office is staffed by four assistant district attorneys, an investigator and six secretarial/clerical employees. The Thirty-Sixth Judicial District comprises all of the Parish of Beauregard, State of Louisiana, and is located in the southwestern region of the state.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the Thirty-Sixth Judicial District Attorney have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB 34, *Basic Financial Statements for State and Local Governments*, issued in June 1999.

B. REPORTING ENTITY

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the district attorney includes all funds, account groups and activities that are controlled by the district attorney as an independently elected parish official. As an independently elected parish official, the district attorney is solely responsible for the retention of employees, authority over budgeting, the responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the district attorney's office that are paid by the parish police jury as required by Louisiana law, the district attorney's office is financially independent. Accordingly, the district attorney is a separate governmental reporting entity. Certain units of local government over which the district attorney exercises no oversight responsibility, such as the parish police jury, parish school board, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the parish district attorney.

C. FUND ACCOUNTING

The district attorney uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions relating to certain district attorney functions and activities. A fund is defined as a separate fiscal accounting entity with a self-balancing set of accounts.

Governmental Funds

Governmental funds account for all or most of the district attorney's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the district attorney. The following are the district attorney's governmental funds:

Thirty-Sixth Judicial District Attorney

Notes to the Financial Statements (Continued)

General Fund – the primary operating fund of the district attorney and it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to district attorney policy.

Special Revenue Funds

Title IV-D Fund – The Title IV-D Fund consists of incentive payments and reimbursement grants from the Louisiana Department of Social Services, authorized by Act 117 of 1975, to establish family and child support programs compatible with Title IV-D of the social security act. The purpose of the fund is to enforce the support obligation owed by absent parents to their families and children, to locate absent parents, to establish paternity, and to obtain family and child support.

Worthless Check Fund – The Worthless Check Collection Fee Fund consists of fees collected in accordance with Louisiana Revised Statute 16:15, which provides for a specific fee whenever the district attorney's office collects and processes a worthless check. Expenditures from this fund are at the sole discretion of the district attorney and may be used to defray the salaries and the expenses of the office of the district attorney, but may not be used to supplement the salary of the district attorney.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and change in net assets. The only funds accounted for in this category by the district attorney are agency funds. The agency funds account for assets held by the district attorney as an agent for various taxing bodies (tax collections) and for deposits held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting. The following are the district attorney's fiduciary funds.

Asset Forfeiture Trust Fund – The Asset Forfeiture Trust Fund was established under the provisions of LSA-R.S. 40:2616(B) which requires that all monies collected from the sale of seized or forfeited assets be deposited into the fund. The district attorney administers the distribution of monies to the appropriate local, state or federal law enforcement agency that participated in the activity that led to the seizure or forfeiture of the property or deposit of monies under and subject to LSA-R.S. 40:2616 (B).

Bail Bond Collection Trust Fund – The Bail Bond Collection Trust Fund was established in compliance with revised statute 15:571.11. The District Attorney collects on a judgement of bond forfeiture and distributes the proceeds according to this statute. Thirty percent of all funds collected shall be disbursed to the district attorney's general fund, twenty-five percent of all funds collected shall be disbursed to the parish's criminal court fund, twenty-five percent shall be disbursed to the sheriff's general fund and the remaining twenty percent shall be disbursed to the Indigent Defender Program. All funds shall be disbursed to the parish where the bonds were posted.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Fund Financial Statements (FFS)

The amounts reflected in the General Fund and Other Funds, of Statements A and B, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of district attorney operations.

Thirty-Sixth Judicial District Attorney

Notes to the Financial Statements (Continued)

The amounts reflected in the General Fund and Other Funds, of Statements A and B, use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means that amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The district attorney considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Commissions on fines and bond forfeitures are recorded in the year in which they are collected by the parish tax collector.

Reimbursements are recorded when the district attorney is entitled to the funds.

Interest income on investments is recorded when the investments have matured and the income is available.

Substantially all other revenues are recorded when received.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (and any other financing source/use) are accounted for as other financing sources (uses). These sources (uses) are recorded when the expenditure is incurred.

Government-Wide Financial Statements (GWFS)

The column labeled Statement of Net Assets (Statement A) and the column labeled Statement of Activities (Statement B) display information about the district attorney as a whole. These statements include all the financial activities of the district attorney. Information contained in these columns reflect the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues – Program revenues included in the column labeled Statement of Activities (Statement B) are derived directly from district attorney users as a fee for services; program revenues reduce the cost of the function to be financed from the district attorney's general fund.

E. BUDGET

The district attorney uses the following budget practices:

The budgets of the District Attorney of the Thirty-Sixth Judicial District, are adopted in accordance with Louisiana Revised Statutes 39:1301-1314. Annually the district attorney adopts a budget for the General and Special Revenue Funds. The budgetary practices include public notice of the proposed budget, public inspection of the proposed budget, and public hearings on the budget. Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statements include original

Thirty-Sixth Judicial District Attorney

Notes to the Financial Statements (Continued)

adopted budget amounts and all subsequent amendments. The budget for the General and Special Revenue Funds is adopted on a basis consistent with generally accepted accounting principles (GAAP).

F. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest bearing demand deposits, money market accounts and time deposits. Cash equivalents include amounts in time deposits and those other investments with original maturities of 90 days or less. Under state law, the district attorney may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Under state law, the district attorney may invest in United States bonds, treasury notes, or certificates. These are classified as investments, if their original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost. At June 30, 2004 the district attorney had no investments.

G. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

H. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The district attorney maintains a threshold level of \$1,000 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Assets and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Improvements	20 years
Furniture and equipment	5-15 years
Vehicle	5 years

I. COMPENSATED ABSENCES

The district attorney has the following policy relating to vacation and sick leave:

Employees of the district attorney earn vacation leave at varying rates, depending on length of service, which does not accumulate. Upon resignation, unused vacation leave is paid to the employee at his current rate of pay.

Employees earn sick leave at the rate of one day a month, effective immediately upon employment. Ten days a year, not to exceed 30 days, may be accumulated. Unused sick leave lapses upon termination of employment.

At December 31, 2004 the district attorney had no accumulated and vested leave benefits required to be reported in accordance with NCGA Statement 4 and State of Financial Accounting Standard (SFAS) 43.

J. FUND EQUITY

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Any designations of fund balance represent tentative management plans that are subject to change.

Thirty-Sixth Judicial District Attorney

Notes to the Financial Statements (Continued)

K. EXTRAORDINARY AND SPECIAL ITEMS

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the district attorney, which are either unusual in nature or infrequent in occurrence.

L. INTERFUND TRANSACTIONS

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transactions are reported as transfers.

M. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from these estimates.

1. CASH AND CASH EQUIVALENTS

At December 31, 2004, the district attorney has cash and cash equivalents (book balances) totaling \$467,900 as follows:

Interest bearing demand deposits	\$ 117,644
Demand deposits	2,046
Time deposits	348,210
Total	<u>\$ 467,900</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2004, the district attorney has \$473,652 in deposits (collected bank balances). These deposits are secured from risk by \$304,375 of federal deposit insurance and \$169,277 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the district attorney that the fiscal agent has failed to pay deposited funds upon demand.

2. RECEIVABLES

The receivables at December 31, 2004, are as follows:

<u>Class of receivable</u>	<u>General Fund</u>	<u>Special Revenue</u>
		<u>Fund</u>
Intergovernmental	<u>\$ 25,246</u>	<u>Title IV-D Fund</u>
		<u>\$ 21,453</u>

Thirty-Sixth Judicial District Attorney
Notes to the Financial Statements (Continued)

3. INTERFUND RECEIVABLES/PAYABLES

The following due to/from balances exist due to payments made out of one fund that relate to the other fund. The balance in each respective due to/from account is expected to be paid within the current year.

	Due from	Due to
General fund	\$ 57	\$ -
Agency funds	-	57
Total	<u>\$ 57</u>	<u>\$ 57</u>

4. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2004, for the district attorney is as follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Governmental activities:				
Capital assets being depreciated				
Vehicle	\$ 21,987	\$ -	\$ -	\$ 21,987
Improvements	90,943	-	-	90,943
Equipment and furniture	250,495	-	-	250,495
Total capital assets being depreciated	<u>363,425</u>	<u>-</u>	<u>-</u>	<u>363,425</u>
Less accumulated depreciation for:				
Vehicle	10,993	4,397	-	15,390
Improvements	38,651	4,547	-	43,198
Equipment and furniture	58,449	16,700	-	75,149
Total accumulated depreciation	<u>108,093</u>	<u>25,644</u>	<u>-</u>	<u>133,737</u>
Total capital assets being depreciated, net	<u>\$ 255,332</u>	<u>\$ (25,644)</u>	<u>\$ -</u>	<u>\$ 229,688</u>

Depreciation expense of \$25,644 for the year ended December 31, 2004, was charged to the following governmental functions:

Judicial	<u>\$ 25,644</u>
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5. INTERFUND TRANSFERS

	Transfer in	Transfer out
Title IV-D fund	\$ -	\$ 1,859
General fund	1,859	18
Agency funds	18	-
Total	<u>\$ 1,877</u>	<u>\$ 1,877</u>

6. ACCOUNTS, AND OTHER PAYABLES

The payables of \$20,712 at December 31, 2004, are as follows:

	General Fund	Title IV-D Fund	Worthless Check Fund	Total
Accounts	\$ 10,971	\$ 2,729	\$ 1,728	\$ 15,428
Payroll taxes	4,073	1,211	-	5,284
Total	<u>\$ 15,044</u>	<u>\$ 3,940</u>	<u>\$ 1,728</u>	<u>\$ 20,712</u>

Thirty-Sixth Judicial District Attorney

Notes to the Financial Statements (Continued)

7. PENSION PLAN

The district attorney and assistant district attorneys are members of the Louisiana District Attorneys Retirement System (System), a cost sharing multiple-employer defined benefit pension plan administered by a separate board of trustees.

Assistant district attorneys who earn, as a minimum, the amounts paid by the state for assistant district attorneys and are under the age of 60 at the time of original employment and all district attorneys are required to participate in the System. For members who joined the System before July 1, 1990, and who elected not to be covered by the new provisions, the following applies: Any member with 23 or more years of creditable service regardless of age may retire with a 3 percent benefit reduction for each year below age 55, provided that no reduction is applied if the member has 30 or more years of service. Any member with at least 18 years of service may retire at age 55 with a 3 percent benefit reduction for each year below age 60. In addition, any member with at least 10 years of service may retire at age 60 with a 3 percent benefit reduction for each year retiring below the age of 62. The retirement benefit is equal to 3 percent of the member's average final compensation multiplied by the number of years of his membership service, not to exceed 100 percent of his average final compensation.

For members who joined the System after July 1, 1990, or who elected to be covered by the new provisions, the following applies: Members are eligible to receive normal retirement benefits if they are age 60 and have 10 years of service credit, are age 55 and have 24 years of service credit, or have 30 years of service credit regardless of age. The normal retirement benefit is equal to 3.5 percent of the member's final-average compensation multiplied by years of membership service. A member is eligible for early retirement if he is age 55 and has 18 years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced 3 percent for each year the member retires in advance of normal retirement age. Benefits may not exceed 100 percent of average final compensation. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana District Attorneys Retirement System, 2109 Decatur Street, New Orleans, Louisiana 70116-2091, or by calling (504) 947-5551.

FUNDING POLICY

Plan members are required by state statute to contribute 7.0 percent of their annual covered salary and the district attorney is required to contribute at an actuarially determined rate. The current rate is 1.25 percent of annual covered payroll through June 30, 1998. After June 30, 1998 the District Attorney is not required to contribute to the system. Contributions to the System also include .2 percent of the ad valorem taxes collected throughout the state and revenue sharing funds as appropriated by the legislature. The contribution requirements of plan members and the district attorney are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The district attorney's contributions to the System for the years ending December 31, 2004, 2003, and 2002 were \$ -0-, \$ -0-, and \$ -0-, respectively equal to the required contributions for each year.

Substantially all other employees of the District Attorney of the Thirty-Sixth Judicial District, Parish of Beauregard, State of Louisiana are members of the Parochial Employees' Retirement System of Louisiana (System), a cost sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the district are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to 1% of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average.

Thirty-Sixth Judicial District Attorney

Notes to the Financial Statements (Continued)

Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, PO Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

FUNDING POLICY

Under Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and the district is required to contribute at an actuarially determined rate. The current rate is 11.75% of annual covered payroll. Contributions to the System also include one-fourth of 1% (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the district are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The district attorney's contributions to the System under Plan A for the years ending December 31, 2004, 2003, and 2002, were \$10,534, \$8,088, and \$8,990, respectively, equal to the required contributions for each year.

8. DEFERRED COMPENSATION PLAN

The district attorney offers membership in the State of Louisiana, Public Employees Deferred Compensation Plan, a qualified retirement plan under section 457 of the Internal Revenue Code administered by Great West Life and Annuity Insurance Company.

The Louisiana Deferred Compensation Plan provides state, parish and municipal employees with the opportunity to invest money on a before-tax basis, using payroll deduction. Participants defer federal and state income tax on their contributions. In addition, interest or earnings on the account accumulates tax-deferred. Participants may join the plan with as little as \$10 per pay period, or \$20 per month, and contribute up to a maximum of 25% of taxable compensation, not to exceed \$8,000 per calendar year.

A special "catch-up" provision may be used to invest up to \$15,000 per year for the three years prior to retirement. Any amount excluded from gross income through salary reduction under a 403(b) annuity, a 401(k) profit-sharing plan or a Simplified Employee Pension (SEP) is to be treated as amounts deferred under this deferred compensation plan. Participants joining the Plan may choose the amount to contribute and the investment option (s). They may revise their choice at any time, transfer monies to other available investment options and may increase, decrease or stop deferrals at any time. The Plan offers both a guaranteed option and variable investment options, from which participants may select a fund or combination of funds to satisfy their personal investment objectives. Each of the funds has independent investment objectives and utilizes different investment strategies. With the exception of the Great-West Guaranteed Fund, the remaining investments options are variable in nature. Values of the variable options are not guaranteed as to a fixed dollar amount and may increase or decrease according to the investment experience of the underlying portfolio. The expense to administer the Plan is borne by all participants. The administrative fee is .85% and is assessed on each of the options selected. The variable options also have investment management fees that vary based upon the options chosen. Both the administrative and investment management fees are calculated and deducted daily on a pro-rata basis. There are no annual contract charges or transaction charges. At retirement, 100% of the account value will be applied to any of the following settlement options chosen. These options include among others:

- Periodic payment
- Payments over your lifetime
- Payments for a specific time or amount
- Joint and survivor benefits
- Lump-sum payment
- Any combination of the above options

Thirty-Sixth Judicial District Attorney

Notes to the Financial Statements (Concluded)

The Plan is administered by Great-West Life and Annuity Insurance Company; 2237 South Acadian Thruway, Suite 702; Baton Rouge, LA 70808; (800) 937-7604 or (225) 926-8086.

**8. EXPENDITURES OF THE DISTRICT ATTORNEY NOT INCLUDED
IN THE ACCOMPANYING FINANCIAL STATEMENTS**

The accompanying financial statements do not include certain expenditures of the district attorney paid out of the criminal court fund, the parish police jury or directly by the state. A portion of the salaries of the district attorney and assistant district attorneys are paid directly by the state. The parish police jury pays certain salaries and employer contributions of secretarial personnel.

REQUIRED SUPPLEMENTAL INFORMATION

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
For the Year Ended December 31, 2004

	Budgeted Amounts		Actual Amount Budgetary Basis	Budget to GAAP differences over(under)	Actual Amount GAAP Basis
	Original	Final			
Revenues					
State grants	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	\$ 50,000
Local grants	72,900	68,000	65,817	(2,183)	65,817
Fees, charges and commissions for services	249,475	280,000	297,458	17,458	297,458
Investment income	4,800	3,500	3,657	157	3,657
Other revenue	4,650	5,000	5,103	103	5,103
Total revenues	\$ 381,825	\$ 406,500	\$ 422,035	\$ 15,535	\$ 422,035
Expenditures					
Judiciary					
Personal services	\$ 249,060	\$ 240,000	\$ 236,898	\$ 3,102	\$ 236,898
Related benefits	20,273	25,000	23,535	1,465	23,535
Travel and professional development	12,000	17,000	14,467	2,533	14,467
Operating services	11,700	12,000	13,790	(1,790)	13,790
Supplies	3,500	2,000	940	1,060	940
Contracted services	78,800	68,000	67,799	201	67,799
Total expenditures	\$ 375,333	\$ 364,000	\$ 357,429	\$ 6,571	\$ 357,429
Excess (deficiency) of revenues over expenditures	\$ 6,492	\$ 42,500	\$ 64,606	\$ 22,106	\$ 64,606
Other financing sources (uses):					
Transfers in	-	\$ 1,800	\$ 1,859	\$ 59	\$ 1,859
Transfers out	-	-	(18)	(18)	(18)
Total other financing sources (uses)	\$ -	\$ 1,800	\$ 1,841	\$ 41	\$ 1,841
Net change in fund balance	\$ 6,492	\$ 44,300	\$ 66,447	\$ 22,147	\$ 66,447
Fund balances at beginning of year	330,000	330,414	330,414	-	330,414
Fund balances at end of year	\$ 336,492	\$ 374,714	\$ 396,861	\$ 22,147	\$ 396,861

Special Revenue Fund
Title IV-D Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
For the Year Ended December 31, 2004

	Budgeted Amounts		Actual Amount	Budget to GAAP	Actual Amount
	Original	Final	Budgetary Basis	differences over(under)	GAAP Basis
Revenues					
Reimbursement of operating cost	\$ 80,300	\$ 88,000	\$ 85,991	\$ (2,009)	\$ 85,991
Investment income	275	200	147	(53)	147
Total revenues	<u>\$ 80,575</u>	<u>\$ 88,200</u>	<u>\$ 86,138</u>	<u>\$ (2,062)</u>	<u>\$ 86,138</u>
Expenditures					
Judiciary					
Personal services	\$ 56,745	\$ 60,000	\$ 58,850	\$ 1,150	\$ 58,850
Related benefits	11,114	12,000	12,796	(796)	12,796
Travel and professional development	750	1,500	2,067	(567)	2,067
Operating services	6,700	7,500	6,534	966	6,534
Supplies	250	500	202	298	202
Total expenditures	<u>\$ 75,559</u>	<u>\$ 81,500</u>	<u>\$ 80,449</u>	<u>\$ 1,051</u>	<u>\$ 80,449</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 5,016</u>	<u>\$ 6,700</u>	<u>\$ 5,689</u>	<u>\$ (1,011)</u>	<u>\$ 5,689</u>
Other financing sources (uses):					
Transfers out	\$ -	\$ (1,800)	\$ (1,859)	\$ (59)	\$ (1,859)
Net change in fund balance	<u>\$ 5,016</u>	<u>\$ 4,900</u>	<u>\$ 3,830</u>	<u>\$ (1,070)</u>	<u>\$ 3,830</u>
Fund balances at beginning of year	<u>44,500</u>	<u>44,489</u>	<u>44,489</u>	<u>-</u>	<u>44,489</u>
Fund balances at end of year	<u>\$ 49,516</u>	<u>\$ 49,389</u>	<u>\$ 48,319</u>	<u>\$ (1,070)</u>	<u>\$ 48,319</u>

Special Revenue Fund
Worthless Check Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
For the Year Ended December 31, 2004

	Budgeted Amounts		Actual Amount Budgetary Basis	Budget to GAAP differences over(under)	Actual Amount GAAP Basis
	Original	Final			
Revenues					
Fees, charges and commissions for services	\$ 36,200	\$ 65,000	\$ 63,065	\$ (1,935)	\$ 63,065
Investment income	650	600	572	(28)	572
Total revenues	\$ 36,850	\$ 65,600	\$ 63,637	\$ (1,963)	\$ 63,637
Expenditures					
Judiciary					
Travel and professional development	\$ 500	5,000	\$ 3,817	\$ 1,183	\$ 3,817
Operating services	25,700	32,000	29,733	2,267	29,733
Supplies	23,190	18,000	19,984	(1,984)	19,984
Total expenditures	\$ 49,390	\$ 55,000	\$ 53,534	\$ 1,466	\$ 53,534
Excess (deficiency) of revenues over expenditures	\$ (12,540)	\$ 10,600	\$ 10,103	\$ (497)	\$ 10,103
Net change in fund balance	\$ (12,540)	\$ 10,600	\$ 10,103	\$ (497)	\$ 10,103
Fund balances at beginning of year	36,900	36,915	36,915	-	36,915
Fund balances at end of year	\$ 24,360	\$ 47,515	\$ 47,018	\$ (497)	\$ 47,018

OTHER SUPPLEMENTAL SCHEDULES

Schedule of Fiduciary Net Assets
Agency Funds
December 31, 2004

	<u>Bail Bond Collection Trust Fund</u>	<u>Asset Forfeiture Trust Fund</u>	<u>Total Agency Funds</u>
Assets			
Cash and cash equivalents	<u>\$ 42</u>	<u>\$ 15</u>	<u>\$ 57</u>
Liabilities			
Due to other funds	<u>\$ 42</u>	<u>\$ 15</u>	<u>\$ 57</u>

Schedule of Changes in Fiduciary Net Assets
Agency Funds
For the Year Ended December 31, 2004

	Bail Bond Collection Trust Fund	Asset Forfeiture Trust Fund	Total Agency Funds
Additions			
Deposits	\$ 149,110	\$ 38,572	\$ 187,682
Transfers in	15	3	18
Total Additions	\$ 149,125	\$ 38,575	\$ 187,700
Deductions			
<i>Fines and forfeitures distributed</i>	\$ 149,110	\$ -	\$ 149,110
Suits, seizures and garnishments distributed	-	38,575	38,575
Bank charges	15	-	15
Total Deductions	\$ 149,125	\$ 38,575	\$ 187,700

OTHER REPORTS

Schedule of Prior Year Audit Findings
Year Ended December 31, 2004

Findings - Financial Statement Audit

There were no prior year audit findings reported as of December 31, 2003.

John A. Windham, CPA

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John A. Windham, CPA

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable David Burton
Thirty-Sixth Judicial District Attorney
Parish of Beauregard
State of Louisiana

I have audited the financial statements of the governmental activities, each major fund and aggregate remaining fund information of the Thirty-Sixth Judicial District Attorney, as of and for the year ended December 31, 2004, which collectively comprise the Thirty-Sixth Judicial District Attorney's basic financial statements and have issued my report thereon dated June 23, 2005. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Thirty-Sixth Judicial District Attorney's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

Compliance

As part of obtaining reasonable assurance about whether the Thirty-Sixth Judicial District Attorney's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

The Honorable David Burton
Thirty-Sixth Judicial District Attorney
Parish of Beauregard
State of Louisiana
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John H. Windham, CPA

DeRidder, Louisiana
June 23, 2005